

**UNIFIED SCHOOL DISTRICT NUMBER 308
HUTCHINSON, KANSAS**

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2018

**Unified School District Number 308
Hutchinson, Kansas**

For the Fiscal Year Ended June 30, 2018

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Hutchinson, Kansas**

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Hutchinson, Kansas**

For the Fiscal Year Ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District Number 308
Hutchinson, KS 67501

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District Number 308, Hutchinson, Kansas, a Municipality, as of and for the year ended June 30, 2018, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Unified School District Number 308, Hutchinson, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Unified School District Number 308, Hutchinson, Kansas as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District Number 308, Hutchinson, Kansas as of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, schedule of regulatory basis receipts and disbursements – agency funds, schedules of regulatory basis receipts, expenditures and unencumbered cash – district activity funds – actual (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards general accepted in the United States of America, the basic financial statement of Unified School District 308, Hutchinson, Kansas as of and for the year ended June 30, 2017 (not presented herein), and have issued our report there on dated October 11, 2017, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30,

2018 (Schedule 2 as listed in the table of contents) is also presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2017, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise Unified School District Number 308, Hutchinson, Kansas' financial statement as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement of Unified School District Number 308, Hutchinson, Kansas.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated, in all material respects, in relation to the basic financial statement taken as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2018, on our consideration of the Unified School District Number 308's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Unified School District Number 308's internal control over financial reporting and compliance.


Swindoll Janzen Hawk & Loyd, LLC
Hutchinson, Kansas

October 11, 2018

Unified School District Number 308
Hutchinson, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended June 30, 2018

| | Beginning Unencumbered Cash Balance | Prior Year Cancelled Encumbrances | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances and Accounts Payable | Ending Cash Balance |
|--|--|---|---------------|---------------|---|--|------------------------|
| GENERAL FUNDS: | | | | | | | |
| General Fund | \$ - | \$ 1,848 | \$ 31,121,928 | \$ 31,121,928 | \$ 1,848 | \$ 189,785 | \$ 191,633 |
| Supplemental General Fund | 312,424 | 31 | 10,242,723 | 10,212,125 | 343,053 | 839,246 | 1,182,299 |
| SPECIAL PURPOSE FUNDS: | | | | | | | |
| At Risk (4 Yr Old) Fund | 243,064 | - | 252,291 | 305,822 | 189,533 | 7,637 | 197,170 |
| At Risk (K-12) Fund | 1,084,010 | 6,588 | 6,222,697 | 6,382,830 | 930,465 | 52,998 | 983,463 |
| Bilingual Education Fund | 312,903 | - | 316,218 | 372,912 | 256,209 | 960 | 257,169 |
| Virtual Education Fund | 95,765 | - | - | - | 95,765 | - | 95,765 |
| Capital Outlay Fund | 7,165,055 | 29 | 4,262,902 | 3,210,618 | 8,217,368 | 2,857,604 | 11,074,972 |
| Driver Training Fund | 79,701 | - | - | 1,360 | 78,341 | - | 78,341 |
| Food Service Fund | 1,148,006 | 5,667 | 2,500,127 | 2,558,710 | 1,095,090 | 457 | 1,095,547 |
| Professional Development Fund | 719,574 | - | 26,150 | 343,129 | 402,595 | 46,826 | 449,421 |
| Parent Education Fund | 218,341 | - | 187,676 | 293,153 | 112,864 | 26,290 | 139,154 |
| Special Education Fund | 6,089,470 | - | 7,575,722 | 9,374,675 | 4,290,517 | 185,121 | 4,475,638 |
| Career and Postsecondary Education Fund | 2,595,034 | 270 | 2,591,334 | 2,906,033 | 2,280,605 | 243,638 | 2,524,243 |
| KPERs Special Retirement Contribution Fund | - | - | 3,828,418 | 3,828,418 | - | - | - |
| Carl Perkins Fund | (27,999) | - | 115,877 | 87,878 | - | 18,478 | 18,478 |
| Carl Perkins Reserve Fund | (750) | - | 750 | - | - | - | - |
| Contingency Reserve Fund | 1,845,906 | - | - | 546,900 | 1,299,006 | 137,131 | 1,436,137 |
| Dayschool Depreciation Reserves Fund | 15,985 | - | 6,000 | 21,985 | - | 18,244 | 18,244 |
| Early Childhood Passthrough Fund | (51,054) | 350 | 1,028,775 | 1,038,185 | (60,114) | 60,114 | - |
| Early Education Center Depreciation Reserves Fund | 157,488 | - | 20,000 | 21,048 | 156,440 | 14,861 | 171,301 |
| Employee Wellness Fund | 359 | - | 100 | 373 | 86 | - | 86 |
| Foundation Grant PAT Fund | (4,904) | - | 29,585 | 25,722 | (1,041) | 58 | (983) |
| Head Start Childcare Food Fund | 54,610 | - | 147,906 | 174,931 | 27,585 | - | 27,585 |
| Head Start Program Fund | (141,871) | - | 1,964,684 | 1,857,886 | (35,073) | 35,073 | - |
| Hutchinson High School Daycare Fund | 84,576 | - | 177,447 | 199,943 | 62,080 | - | 62,080 |
| I.B. Program Fund | 3,920 | - | 5,000 | 7,212 | 1,708 | - | 1,708 |
| PAT-KPP Fund | (3,336) | - | 3,336 | - | - | - | - |
| Project Lead the Way Fund | 1,855 | - | - | 1,785 | 70 | - | 70 |
| Reading is Fundamental Fund | 257 | - | - | - | 257 | - | 257 |
| Rebate - Kids First Fund | 28,157 | - | - | 1,099 | 27,058 | - | 27,058 |
| Revolving Gift Fund | 142,824 | - | 28,826 | 24,831 | 146,819 | 1,647 | 148,466 |
| TASN Co-teaching Fund | 4,369 | - | 6,000 | 4,902 | 5,467 | - | 5,467 |
| Textbook/Student Material Revolving Fund | 3,172,859 | - | 172,783 | 1,085,017 | 2,260,625 | 190,104 | 2,450,729 |
| Title I Fund | (8,510) | - | 1,518,200 | 1,460,652 | 49,038 | 94,496 | 143,534 |
| Title I School Improvement Fund | 5,764 | - | 20,883 | 26,647 | - | - | - |
| Title II-A Fund | (59,833) | - | 253,003 | 193,170 | - | - | - |
| Title III Fund | (5,522) | - | 28,779 | 23,257 | - | - | - |
| Title IV Fund | - | - | 40,623 | 40,623 | - | - | - |
| Title V Fund | - | - | 51,556 | 51,556 | - | - | - |
| Gate Receipts | 166,885 | - | 341,417 | 370,885 | 137,417 | - | 137,417 |
| School Projects | 224,633 | - | 162,318 | 189,533 | 197,418 | - | 197,418 |
| BOND AND INTEREST FUND: | | | | | | | |
| Bond and Interest Fund | 6,292,539 | - | 6,161,400 | 6,227,066 | 6,226,873 | - | 6,226,873 |
| Total Reporting Entity | | | | | | | |
| (Excluding Agency Funds) | \$ 31,962,554 | \$ 14,783 | \$ 81,413,434 | \$ 84,594,799 | \$ 28,795,972 | \$ 5,020,768 | \$ 33,816,740 |
| COMPOSITION OF CASH: | | | | | | | |
| Board Checking | | | | | | | \$ 4,933,276 |
| Board Petty Cash | | | | | | | 750 |
| Board Timed Deposit | | | | | | | - |
| Board Certificate of Deposit | | | | | | | 13,000,000 |
| Investments - MIP | | | | | | | 21,141,874 |
| Activity Fund Checking | | | | | | | 370,132 |
| Activity Fund Petty Cash | | | | | | | 5,200 |
| Activity Fund Certificate of Deposit | | | | | | | 37,171 |
| Total Cash | | | | | | | 39,488,403 |
| Agency Funds per Schedule 3 | | | | | | | (5,671,663) |
| Total Reporting Entity (Excluding Agency Funds) | | | | | | | \$ 33,816,740 |

UNIFIED SCHOOL DISTRICT NUMBER 308

HUTCHINSON, KANSAS

NOTES TO THE FINANCIAL STATEMENT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

Unified School District Number 308 (the "District") is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District Number 308 (the District), a municipality.

(b) Regulatory Basis Fund Types

General Fund—the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds—used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund—used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund—used to account for the debt proceeds and other financial resources to be used for the acquisition or construction of major capital facilities or equipment.

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing, county treasurer tax collection accounts, etc.).

(c) Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of budget for the succeeding calendar year on or before August 1st.
- 2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- 3) Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 4) Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for the Capital Projects Fund, Agency Fund, or the following Special Purpose Funds: Carl Perkins, Carl Perkins Reserve, Contingency Reserve, Dayschool Depreciation Reserves, Early Childhood Passthrough, Early Education Center Depreciation Reserves, Employee Wellness, Foundation Grant PAT, Head Start Childcare Food, Head Start Program, Hutchinson High School Daycare Fund, I.B. Program, PAT-KPP Fund, Project Lead the Way, Reading is Fundamental, Rebate - Kids First, Revolving Gift, TASN Co-teaching, Textbook/Student Materials Revolving, Title I, Title I School Improvement, Title I School Improvement Lincoln/Ave A, Title IIA, Title III, Title IV, Title V, School Projects, and Gate Receipts.

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Kansas municipalities are subject to the cash-basis law as stated in Kansas Statute 10-1113. The Early Childhood Passthrough Fund, Foundation Grant PAT Fund, and Head Start Program Fund have a negative unencumbered cash balance at June 30, 2018, which is allowable under Kansas Statute 12-1663. These funds will be reimbursed in the following fiscal year from federal grant programs.

3. DEPOSITS AND INVESTMENTS

As of June 30, 2018, the District had the following investments and maturities.

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Maturity in Years Less than 1</u> | <u>Rating</u> |
|-------------------------------------|-------------------|--|---------------|
| Kansas Municipal Investment Pool | \$ 21,141,874 | \$ 21,141,874 | N/A |

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities, temporary notes; no fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit investment choices. The rating of the District's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. At June 30, 2018, the District held 100% of their investments in the Kansas Municipal Investment Pool.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2018.

At June 30, 2018, the carrying amount of the District's deposits, including certificates of deposit, was \$18,346,529 and the bank balance was \$16,705,933. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$1,000,025 was covered by federal depository insurance and \$15,705,908 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2018, the District had invested \$21,141,874 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$2,436,109 subsequent to June 30, 2018, and as required by K.S.A. 72-6417 and 72-6434, the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

5. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Compensated Absences

District personnel are eligible for vacation and/or sick leave benefits in varying amounts depending upon the classification of the employee. Upon separation from the District, unused vacation leave and sick leave are eligible payment to employees according to District policy as stated in District handbooks and the negotiated agreement.

Unused vacation must be used by June 30th of the following fiscal year, or the benefit lapses. If the employee should separate from the District within that timeframe, compensation for unused vacation leave is limited to the amount earned at the beginning of that particular fiscal year. Thus, all liability associated with vacation compensation is due within one year of the fiscal year end.

(c) Termination Benefits

The District provides an early retirement program for certain eligible employees. Certified employees are eligible if they (a) are a full time employee of the District; (b) have ten or more years of employment with the District; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of teaching for the District. Classified employees are eligible if they (a) have ten or more years of employment with the District; (b) are working 17.5 or more hours per week; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of employment with the District.

Payments to retired employees under this plan were \$303,266 for the year ended June 30, 2018.

6. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2018, were as follows:

| Issue | Interest Rates | Date of Issue | Amount of Issue | Date of Final Maturity | Balance Beginning of Year | Additions | Reductions/ Payments | Balance End of Year | Interest Paid |
|--------------------------------|----------------|---------------|-----------------|------------------------|---------------------------|-----------|----------------------|---------------------|---------------|
| General Obligation Bonds: | | | | | | | | | |
| 2007 A GO | 4.45% | 2007 | \$ 78,800,000 | 2028 | \$ 13,140,000 | \$ - | \$ 3,610,000 | \$ 9,530,000 | \$ 1,366,875 |
| 2012 Refunding | 3.00-3.25% | 2012 | 7,935,000 | 2026 | 7,935,000 | - | - | 7,935,000 | 130,841 |
| 2013 Refunding | 3.00% | 2013 | 8,920,000 | 2025 | 8,920,000 | - | - | 8,920,000 | 132,525 |
| 2014 Refunding | 3.00% | 2014 | 9,190,000 | 2023 | 9,190,000 | - | - | 9,190,000 | 136,950 |
| 2015 Refunding | 3.00-4.00% | 2015 | 8,620,000 | 2024 | 8,620,000 | - | - | 8,620,000 | 164,450 |
| 2016 Refunding | 4.00-4.25% | 2016 | 8,560,000 | 2027 | 8,560,000 | - | - | 8,560,000 | 167,375 |
| 2017 Refunding | 3.00% | 2017 | 9,645,000 | 2022 | 9,645,000 | - | 220,000 | 9,425,000 | 298,050 |
| Total General Obligation Bonds | | | | | 66,010,000 | - | 3,830,000 | 62,180,000 | 2,397,066 |
| Capital Leases: | | | | | | | | | |
| Apple Computer Equipment | 1.07% | 2015 | 1,091,159 | 2017 | 274,644 | - | 274,644 | - | 2,938 |
| Apple 2 Computer Equipment | 2.25% | 2016 | 574,985 | 2018 | 191,630 | - | 191,630 | - | 4,312 |
| Total Capital Leases | | | | | 466,274 | - | 466,274 | - | 7,250 |
| Total Contractual Indebtedness | | | | | \$ 66,476,274 | \$ - | \$ 4,296,274 | \$ 62,180,000 | \$ 2,404,316 |

6. LONG-TERM DEBT (CONT.)

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

| Debt Issue | 2019 | 2020 | 2021 | 2022 | 2023 | 2024-2028 | Total |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Principal: | | | | | | | |
| General Obligation Bonds: | | | | | | | |
| 2007 A GO | \$ 795,000 | \$ - | \$ - | \$ - | \$ - | \$ 8,735,000 | \$ 9,530,000 |
| 2012 Refunding | 110,000 | 115,000 | 120,000 | 120,000 | 125,000 | 7,345,000 | 7,935,000 |
| 2013 Refunding | 30,000 | 35,000 | 35,000 | 35,000 | 35,000 | 8,750,000 | 8,920,000 |
| 2014 Refunding | 60,000 | 60,000 | 4,955,000 | - | 4,115,000 | - | 9,190,000 |
| 2015 Refunding | - | - | - | 2,450,000 | 1,590,000 | 4,580,000 | 8,620,000 |
| 2016 Refunding | - | - | - | 765,000 | - | 7,795,000 | 8,560,000 |
| 2017 Refunding | 3,265,000 | 4,485,000 | - | 1,675,000 | - | - | 9,425,000 |
| Total General Obligation Bonds | 4,260,000 | 4,695,000 | 5,110,000 | 5,045,000 | 5,865,000 | 37,205,000 | 62,180,000 |
| Interest: | | | | | | | |
| General Obligation Bonds: | | | | | | | |
| 2007 A GO | 281,925 | 262,050 | 262,050 | 262,050 | 262,050 | 1,179,225 | 2,509,350 |
| 2012 Refunding | 260,032 | 256,657 | 253,132 | 249,532 | 245,857 | 596,947 | 1,862,157 |
| 2013 Refunding | 264,825 | 264,338 | 263,813 | 263,288 | 262,763 | 340,200 | 1,659,227 |
| 2014 Refunding | 273,450 | 272,550 | 197,775 | 123,450 | 61,725 | - | 928,950 |
| 2015 Refunding | 328,900 | 328,900 | 328,900 | 279,900 | 207,050 | 91,600 | 1,565,250 |
| 2016 Refunding | 334,750 | 334,750 | 334,750 | 323,275 | 311,800 | 1,091,300 | 2,730,625 |
| 2017 Refunding | 245,775 | 123,525 | 50,250 | 25,125 | - | - | 444,675 |
| Total General Obligation Leases: | 1,989,657 | 1,842,770 | 1,690,670 | 1,526,620 | 1,351,245 | 3,299,272 | 11,700,234 |
| Total Principal and Interest | \$ 6,249,657 | \$ 6,537,770 | \$ 6,800,670 | \$ 6,571,620 | \$ 7,216,245 | \$ 40,504,272 | \$ 73,880,234 |

7. OPERATING LEASES

The District is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property right or lease obligations and, therefore, the expenditures will be recognized when the lease payments are made. The following schedule shows the composition of total rental expenditures for all operating leases except those with terms of a month or less that were not renewed:

| | Year Ending June 30, | |
|------------------------|----------------------|-------------------|
| | 2017 | 2018 |
| Minimum rentals: | | |
| Educational Authority | \$ 74,760 | \$ 74,760 |
| Cannon Financial Lease | 48,504 | 48,504 |
| | <u>\$ 123,264</u> | <u>\$ 123,264</u> |

Operating lease obligations for subsequent years are as follows:

| | Canon Financial Lease |
|------------|--------------------------|
| 2019 | \$ 48,504 |
| 2020 | 48,504 |
| 2021 | 12,126 |
| Thereafter | - |
| | <u>\$ 109,134</u> |

8. JOINT VENTURE WITH EDUCATIONAL FACILITIES AUTHORITY OF RENO COUNTY

In 2003, the District entered into an agreement with the Hutchinson Community College to form a separate legal entity named the Educational Facilities Authority of Reno County (Authority). The purpose of the Authority is to facilitate the renovation, improvement, and acquisition of educational and athletic facilities as determined by the Authority's board of directors. The District has entered into an operating lease agreement with the Authority for the use of an athletic facility. Details of that lease are included in Note 7.

Additionally, the District agreed to make annual contributions to cover an allocated portion of the annual operating costs. For this fiscal year, the District paid operating costs of \$38,053 to the Authority.

9. INTERFUND TRANSFERS

Operating transfers were as follows:

| From | To | Statutory Authority | Amount |
|---------------------------|--|------------------------|----------------------|
| General Fund | At-Risk K-12 Fund | K.S.A. 72-6478 | \$ 4,345,151 |
| General Fund | Special Education Fund | K.S.A. 72-6478 | 4,471,838 |
| General Fund | Capital Outlay | K.S.A. 72-6479 | 1,719,856 |
| General Fund | Textbook/Student Material Revolving Fund | K.S.A. 72-6478 | 76,527 |
| Supplemental General Fund | At Risk (4 Year Old) Fund | K.S.A. 72-6478 | 252,291 |
| Supplemental General Fund | At Risk (K-12) Fund | K.S.A. 72-6478 | 1,877,546 |
| Supplemental General Fund | Bilingual Education Fund | K.S.A. 72-6478 | 316,218 |
| Supplemental General Fund | Special Education Fund | K.S.A. 72-6478 | 1,402,397 |
| Supplemental General Fund | Career and Postsecondary Education Fund | K.S.A. 72-6478 | 1,454,725 |
| | | | <u>\$ 15,916,549</u> |

10. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the individual governmental funds or the overall financial position of the District.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2017 to 2018, and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations, the District is exposed to various claims, legal actions and complaints. It is of the opinion of the District's management and legal counsel that any current matters are not anticipated to have a material impact on the District.

11. RISK MANAGEMENT

The District has established a self-insured health care program for eligible District employees and covered dependents. The activity is reported in an internal service fund on these financial statements. The District limits its exposure through specific and aggregate stop-loss coverage. All claims handling procedures are performed by a third-party claims administrator. Reported unpaid claims, as well as incurred but not reported claims, have been accrued as a liability based upon the claims administrator's estimate. These claims are expected to be fully paid within one year of the financial statement date.

| | |
|--|--------------------|
| Unpaid claims, June 30, 2016 (as adjusted in prior year) | \$ 363,328 |
| Claims incurred (including incurred but not reported) | 2,805,731 |
| Claim payments | <u>(2,770,975)</u> |
| Unpaid claims, June 30, 2017 | 398,084 |
| | |
| Claims incurred (including incurred but not reported) | 3,254,550 |
| Claim payments | <u>(2,971,940)</u> |
| Unpaid claims, June 30, 2018 | <u>\$ 680,694</u> |

See note 5(a) for Other Post-employment benefit disclosures related to the self-insured health care program.

12. DEFINED BENEFIT PENSION PLAN

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

12. DEFINED BENEFIT PENSION PLAN (cont.)

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contributions to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30 was \$304,596,361. Per 2017 Senate Substitute or House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year.

The State of Kansas is required to contribute the statutory required employer's share except for returned District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$3,828,418 for the year ended June 30, 2018.

Net Pension Liability. At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$47,506,531. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

13. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statements of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

**UNIFIED SCHOOL DISTRICT NUMBER 308
HUTCHINSON, KANSAS**

REGULATORY-REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2018

Unified School District Number 308
Hutchinson, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

(Budgeted Funds Only)

For the Year Ended June 30, 2018

| | <u>Certified Budget</u> | <u>Adjustments to Comply with Legal Max</u> | <u>Adjustment for Qualifying Budget Credits</u> | <u>Total Budget for Comparison</u> | <u>Expenditures Chargeable to Current Year</u> | <u>Variance Over (Under)</u> |
|--|-----------------------------|---|---|--|--|--------------------------------------|
| GENERAL FUNDS: | | | | | | |
| General Fund | \$ 32,307,258 | \$ (1,457,651) | \$ 272,321 | \$ 31,121,928 | \$ 31,121,928 | \$ - |
| Supplemental General Fund | 10,649,749 | (437,624) | - | 10,212,125 | 10,212,125 | - |
| SPECIAL PURPOSE FUNDS: | | | | | | |
| At Risk (4 Yr Old) Fund | 391,124 | - | - | 391,124 | 305,822 | (85,302) |
| At Risk (K-12) Fund | 6,703,240 | - | - | 6,703,240 | 6,382,830 | (320,410) |
| Bilingual Education Fund | 678,096 | - | - | 678,096 | 372,912 | (305,184) |
| Virtual Education Fund | 100,000 | - | - | 100,000 | - | (100,000) |
| Capital Outlay Fund | 7,982,658 | - | - | 7,982,658 | 3,210,618 | (4,772,040) |
| Driver Training Fund | 20,000 | - | - | 20,000 | 1,360 | (18,640) |
| Food Service Fund | 3,191,814 | - | - | 3,191,814 | 2,558,710 | (633,104) |
| Professional Development Fund | 570,669 | - | - | 570,669 | 343,129 | (227,540) |
| Parent Education Program Fund | 326,831 | - | - | 326,831 | 293,153 | (33,678) |
| Special Education Fund | 10,420,829 | - | - | 10,420,829 | 9,374,675 | (1,046,154) |
| Career and Postsecondary Education Fund | 3,806,985 | - | - | 3,806,985 | 2,906,033 | (900,952) |
| KPERS Special Retirement Contribution Fund | 4,194,254 | - | - | 4,194,254 | 3,828,418 | (365,836) |
| BOND AND INTEREST FUND: | | | | | | |
| Bond and Interest Fund | 6,227,066 | - | - | 6,227,066 | 6,227,066 | - |
| Total | <u>\$ 87,570,573</u> | <u>\$ (1,895,275)</u> | <u>\$ 272,321</u> | <u>\$ 85,947,619</u> | <u>\$ 77,138,779</u> | <u>\$ (8,808,840)</u> |

Unified School District Number 308
Hutchinson, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|-------------------|-------------------|----------------------|-----------------------|
| | 2017 | | | Variance |
| | Actual | Actual | Budget | Over |
| | | | | (Under) |
| Receipts: | | | | |
| Interest on idle funds | \$ 90,797 | \$ - | \$ - | \$ - |
| Reimbursed expenses | 110,641 | 198,369 | - | 198,369 |
| State aid | 25,944,009 | 26,451,721 | 27,446,956 | (995,235) |
| State juvenile aid | 127,116 | 73,952 | - | 73,952 |
| Special education aid | 4,072,719 | 4,397,886 | 4,860,302 | (462,416) |
| KPERS state aid | 2,496,580 | - | - | - |
| Miscellaneous | 114,687 | - | - | - |
| Transfer from At Risk (K-12) Fund | 323,006 | - | - | - |
| Total Receipts | <u>33,279,555</u> | <u>31,121,928</u> | <u>\$ 32,307,258</u> | <u>\$ (1,185,330)</u> |
| Expenditures: | | | | |
| Instruction | 10,977,180 | 9,502,351 | \$ 11,368,327 | \$ (1,865,976) |
| Student support services | 1,080,515 | 1,192,544 | 1,146,886 | 45,658 |
| Instructional support services | 980,078 | 1,102,425 | 1,077,918 | 24,507 |
| General administration | 447,191 | 423,891 | 613,487 | (189,596) |
| School administration | 2,086,237 | 2,363,698 | 2,316,301 | 47,397 |
| Operations and maintenance | 3,211,378 | 3,703,165 | 3,923,417 | (220,252) |
| Student transportation services | 408,544 | 471,394 | 429,962 | 41,432 |
| Other support services | 1,515,282 | 1,748,592 | 1,687,300 | 61,292 |
| Architect fees | - | 496 | - | 496 |
| Outgoing Transfers - | | | | |
| Transfer to Bilingual Education Fund | 70,000 | - | 70,000 | (70,000) |
| Transfer to Virtual Education Fund | 53,660 | - | 24,537 | (24,537) |
| Transfer to Capital Outlay Fund | - | 1,719,856 | - | 1,719,856 |
| Transfer to Professional Development Fund | - | - | 70,000 | (70,000) |
| Transfer to Special Education Fund | 5,359,499 | 4,471,838 | 4,860,302 | (388,464) |
| Transfer to Vocational Education Fund | 440,764 | - | 440,764 | (440,764) |
| Transfer to KPERS Special Retirement Fund | | | | |
| Contribution Fund | 2,496,580 | - | - | - |
| Transfer to Textbook/Student Material | | | | |
| Revolving Fund | 271,000 | 76,527 | 270,000 | (193,473) |

**Unified School District Number 308
Hutchinson, Kansas**

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|--|-------------------|-------------------|----------------------|-----------------|
| | 2017 | Actual | Actual | Variance |
| | Actual | | | Over |
| | | | | (Under) |
| Expenditures (Cont.): | | | | |
| Outgoing Transfers (Cont.) - | | | | |
| Transfer to At Risk (K-12) Fund | \$ 3,932,086 | \$ 4,345,151 | \$ 3,877,862 | \$ 467,289 |
| Transfer to At Risk (4 yr old) Fund | - | - | 130,195 | (130,195) |
| Adjustment to comply with legal max | - | - | (1,457,651) | 1,457,651 |
| Legal General Fund Budget | 33,329,994 | 31,121,928 | 30,849,607 | 272,321 |
| Adjustment for state juvenile aid | - | - | 73,952 | (73,952) |
| Adjustment for other reimbursed expenses | - | - | 198,369 | (198,369) |
| Total Expenditures | <u>33,329,994</u> | <u>31,121,928</u> | <u>\$ 31,121,928</u> | <u>\$ -</u> |
| Receipts Over (Under) Expenditures | (50,439) | - | | |
| Prior year cancelled encumbrances | 47,809 | 1,848 | | |
| Unencumbered Cash, Beginning | <u>2,630</u> | - | | |
| Unencumbered Cash, Ending | <u>\$ -</u> | <u>\$ 1,848</u> | | |

Unified School District Number 308
Hutchinson, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|-------------------|-------------------|----------------------|---------------------|
| | 2017 | Actual | Budget | Variance |
| | Actual | | | Over |
| | | | | (Under) |
| Receipts: | | | | |
| Taxes and Shared Revenue - | | | | |
| Ad valorem property | \$ 3,176,507 | \$ 3,554,243 | \$ 3,918,656 | \$ (364,413) |
| Delinquent tax | 143,597 | 135,237 | 83,210 | 52,027 |
| Motor vehicle tax | 357,631 | 453,886 | 427,424 | 26,462 |
| Recreational vehicle tax | 2,890 | 3,744 | 3,256 | 488 |
| Commercial vehicle tax | 13,238 | 15,541 | 18,211 | (2,670) |
| In lieu of tax | - | - | 788 | (788) |
| Supplemental state aid | 6,432,943 | 6,080,072 | 6,083,158 | (3,086) |
| Transfer from Contingency Reserve Fund | - | - | 321,000 | (321,000) |
| Total Receipts | <u>10,126,806</u> | <u>10,242,723</u> | <u>\$ 10,855,703</u> | <u>\$ (612,900)</u> |
| Expenditures: | | | | |
| Instruction | 2,170,360 | 3,309,669 | \$ 2,778,811 | \$ 530,858 |
| Student support services | 39,949 | 41,897 | 50,492 | (8,595) |
| Instructional support services | 122,679 | 114,454 | 129,496 | (15,042) |
| General administration | 19,346 | 19,353 | 10,000 | 9,353 |
| School administration | 212,307 | 147,433 | 222,196 | (74,763) |
| Operations and maintenance | 1,067,853 | 1,176,284 | 1,350,365 | (174,081) |
| Other support services | 124,894 | 99,858 | 87,622 | 12,236 |
| Outgoing Transfers - | | | | |
| Transfer to Bilingual Education Fund | 316,218 | 316,218 | 316,218 | - |
| Transfer to Parent Education Fund | 70,000 | - | 70,000 | (70,000) |
| Transfer to Special Education Fund | 2,749,636 | 1,402,397 | 1,840,021 | (437,624) |
| Transfer to Career and Postsecondary Education Fund | 1,664,691 | 1,454,725 | 1,664,691 | (209,966) |
| Transfer to At Risk (4 Yr Old) Fund | 252,291 | 252,291 | 252,291 | - |
| Transfer to At Risk (K-12) Fund | 1,477,546 | 1,877,546 | 1,877,546 | - |
| Adjustment to comply with legal max | - | - | (437,624) | 437,624 |
| Total Expenditures | <u>10,287,770</u> | <u>10,212,125</u> | <u>\$ 10,212,125</u> | <u>\$ -</u> |
| Receipts Over (Under) Expenditures | (160,964) | 30,598 | | |
| Prior year cancelled encumbrance | 1,854 | 31 | | |
| Unencumbered Cash, Beginning | <u>471,534</u> | <u>312,424</u> | | |
| Unencumbered Cash, Ending | <u>\$ 312,424</u> | <u>\$ 343,053</u> | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

AT RISK (4 YR OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|------------------------|-------------------|-------------------|--------------------------------------|
| | 2017 Actual | Actual | Budget | Variance Over (Under) |
| Receipts: | | | | |
| Transfer from General Fund | \$ - | \$ - | \$ 130,195 | \$ (130,195) |
| Transfer from Supplemental General Fund | <u>252,291</u> | <u>252,291</u> | <u>252,291</u> | <u>-</u> |
| Total Receipts | <u>252,291</u> | <u>252,291</u> | <u>\$ 382,486</u> | <u>\$ (130,195)</u> |
| Expenditures: | | | | |
| Instruction | 173,582 | 266,436 | \$ 316,124 | \$ (49,688) |
| Student transportation services | <u>4,021</u> | <u>39,386</u> | <u>75,000</u> | <u>(35,614)</u> |
| Total Expenditures | <u>177,603</u> | <u>305,822</u> | <u>\$ 391,124</u> | <u>\$ (85,302)</u> |
| Receipts Over (Under) Expenditures | 74,688 | (53,531) | | |
| Unencumbered Cash, Beginning | <u>168,376</u> | <u>243,064</u> | | |
| Unencumbered Cash, Ending | <u>\$ 243,064</u> | <u>\$ 189,533</u> | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

AT RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|------------------------|---------------|---------------|--------------------------------------|
| | 2017 Actual | Actual | Budget | Variance Over (Under) |
| Receipts: | | | | |
| Transfer from General Fund | \$ 3,932,086 | \$ 4,345,151 | \$ 3,877,862 | \$ 467,289 |
| Transfer from Supplemental General Fund | 1,477,546 | 1,877,546 | 1,877,546 | - |
| Total Receipts | 5,409,632 | 6,222,697 | \$ 5,755,408 | \$ 467,289 |
| Expenditures: | | | | |
| Instruction | 4,488,351 | 6,136,984 | \$ 5,783,085 | \$ 353,899 |
| Student support services | 146,222 | 95,405 | 468,568 | (373,163) |
| Instructional support staff | 149,656 | 149,932 | 441,587 | (291,655) |
| Student transportation services | 510 | 509 | 10,000 | (9,491) |
| Transfer to General Fund | 323,006 | - | - | - |
| Total Expenditures | 5,107,745 | 6,382,830 | \$ 6,703,240 | \$ (320,410) |
| Receipts Over (Under) Expenditures | 301,887 | (160,133) | | |
| Prior year cancelled encumbrance | 6,967 | 6,588 | | |
| Unencumbered Cash, Beginning | 775,156 | 1,084,010 | | |
| Unencumbered Cash, Ending | \$ 1,084,010 | \$ 930,465 | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|------------------------|---------------|---------------|--------------------------------------|
| | 2017 Actual | Actual | Budget | Variance Over (Under) |
| Receipts: | | | | |
| Transfer from General Fund | \$ 70,000 | \$ - | \$ 70,000 | \$ (70,000) |
| Transfer from Supplemental General Fund | 316,218 | 316,218 | 316,218 | - |
| Total Receipts | 386,218 | 316,218 | \$ 386,218 | \$ (70,000) |
| Expenditures: | | | | |
| Instruction | 360,764 | 370,205 | \$ 648,096 | \$ (277,891) |
| Instructional support services | 14,870 | 2,707 | 30,000 | (27,293) |
| Total Expenditures | 375,634 | 372,912 | \$ 678,096 | \$ (305,184) |
| Receipts Over (Under) Expenditures | 10,584 | (56,694) | | |
| Unencumbered Cash, Beginning | 302,319 | 312,903 | | |
| Unencumbered Cash, Ending | \$ 312,903 | \$ 256,209 | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|------------------------------------|----------------------|----------------------|----------------------|------------------------|
| | <u>2017</u> | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
| | <u>Actual</u> | | | <u>Over</u> |
| | | | | <u>(Under)</u> |
| Receipts: | | | | |
| Transfer from General Fund | \$ 53,660 | \$ - | \$ 24,537 | \$ (24,537) |
| Expenditures: | | | | |
| Instruction | <u>28,700</u> | <u>-</u> | <u>\$ 100,000</u> | <u>\$ (100,000)</u> |
| Receipts Over (Under) Expenditures | 24,960 | - | | |
| Unencumbered Cash, Beginning | <u>70,805</u> | <u>95,765</u> | | |
| Unencumbered Cash, Ending | <u>\$ 95,765</u> | <u>\$ 95,765</u> | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|------------------------------------|---------------------|---------------------|---------------------|--------------------------------------|
| | 2017 | Actual | Budget | Variance Over (Under) |
| | Actual | | | |
| Receipts: | | | | |
| Taxes and Shared Revenue - | | | | |
| Ad valorem property | \$ 1,039,463 | \$ 995,520 | \$ 998,552 | \$ (3,032) |
| Delinquent tax | 31,866 | 37,056 | 27,434 | 9,622 |
| Motor vehicle tax | 106,549 | 106,720 | 110,646 | (3,926) |
| Recreational vehicle tax | 861 | 899 | 843 | 56 |
| Commercial vehicle tax | 3,944 | 5,016 | 4,715 | 301 |
| In lieu tax | - | - | 205 | (205) |
| Miscellaneous reimbursement | 294,657 | 542,989 | 150,000 | 392,989 |
| Capital outlay state aid | 581,299 | 557,372 | 564,867 | (7,495) |
| Transfer from General Fund | - | 1,719,856 | - | 1,719,856 |
| | <u>2,058,639</u> | <u>4,262,902</u> | <u>\$ 1,857,262</u> | <u>\$ 2,405,640</u> |
| Total Receipts | | | | |
| Expenditures: | | | | |
| Instruction | 64,463 | - | \$ 1,178,580 | \$ (1,178,580) |
| Student support services | - | - | 2,000 | (2,000) |
| Instructional support services | 13,434 | - | 24,027 | (24,027) |
| General administration | - | - | 23,000 | (23,000) |
| Operations and maintenance | 438,740 | - | 531,122 | (531,122) |
| Other support services | 168,954 | - | 1,478,929 | (1,478,929) |
| Land | 88,130 | - | 100,000 | (100,000) |
| Site improvement | 43,295 | 44,730 | 85,000 | (40,270) |
| Architect fees | 5,650 | 540 | 125,000 | (124,460) |
| Building | 225,959 | 346,995 | 2,475,000 | (2,128,005) |
| Repair/Remodel | 209,626 | 397,425 | 1,960,000 | (1,562,575) |
| Construction | 231,129 | 2,420,928 | - | 2,420,928 |
| | <u>1,489,380</u> | <u>3,210,618</u> | <u>\$ 7,982,658</u> | <u>\$ (4,772,040)</u> |
| Total Expenditures | | | | |
| Receipts Over (Under) Expenditures | 569,259 | 1,052,284 | | |
| Prior year cancelled encumbrance | 15,988 | 29 | | |
| Unencumbered Cash, Beginning | <u>6,579,808</u> | <u>7,165,055</u> | | |
| Unencumbered Cash, Ending | <u>\$ 7,165,055</u> | <u>\$ 8,217,368</u> | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|------------------------------------|------------------------|---------------|---------------|--------------------------------------|
| | 2017 Actual | Actual | Budget | Variance Over (Under) |
| Receipts: | \$ - | \$ - | \$ - | \$ - |
| Expenditures: | | | | |
| Instruction | 2,880 | 1,360 | \$ 20,000 | \$ (18,640) |
| Receipts Over (Under) Expenditures | (2,880) | (1,360) | | |
| Unencumbered Cash, Beginning | 82,581 | 79,701 | | |
| Unencumbered Cash, Ending | \$ 79,701 | \$ 78,341 | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|------------------------------------|---------------|---------------|---------------|-----------------|
| | 2017 | | | Variance |
| | Actual | Actual | Budget | Over |
| | | | | (Under) |
| Receipts: | | | | |
| Interest on idle funds | \$ 816 | \$ 1,177 | \$ - | \$ 1,177 |
| Student sales | 411,289 | 388,745 | 383,224 | 5,521 |
| Adult sales | 25,347 | 25,312 | 21,927 | 3,385 |
| Ala carte meals | 20,028 | 14,596 | - | 14,596 |
| Miscellaneous revenue | 127,087 | 126,141 | - | 126,141 |
| Reimbursed expenses | 1,000 | 1,000 | - | 1,000 |
| Food service state aid | 24,828 | 24,218 | 20,761 | 3,457 |
| Federal aid | 1,932,699 | 1,918,938 | 1,764,895 | 154,043 |
| Total Receipts | 2,543,094 | 2,500,127 | \$ 2,190,807 | \$ 309,320 |
| Expenditures: | | | | |
| Operations and maintenance | 116,917 | 85,640 | \$ 139,237 | \$ (53,597) |
| Food service operation | 2,721,345 | 2,473,070 | 3,052,577 | (579,507) |
| Total Expenditures | 2,838,262 | 2,558,710 | \$ 3,191,814 | \$ (633,104) |
| Receipts Over (Under) Expenditures | (295,168) | (58,583) | | |
| Prior year cancelled encumbrance | - | 5,667 | | |
| Unencumbered Cash, Beginning | 1,443,174 | 1,148,006 | | |
| Unencumbered Cash, Ending | \$ 1,148,006 | \$ 1,095,090 | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|------------------------------------|----------------------|----------------------|----------------------|------------------------|
| | <u>2017</u> | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
| | <u>Actual</u> | | | <u>Over</u> |
| | | | | <u>(Under)</u> |
| Receipts: | | | | |
| State sources | \$ - | \$ 25,262 | \$ 33,092 | \$ (7,830) |
| Reimbursed expenses | - | 888 | - | 888 |
| Transfer from General Fund | - | - | 70,000 | (70,000) |
| | | | | |
| Total Receipts | - | 26,150 | \$ 103,092 | \$ (76,942) |
| Expenditures: | | | | |
| Instruction | - | 257 | \$ - | \$ 257 |
| Instructional support staff | 23,964 | 342,693 | 570,669 | (227,976) |
| School administration | - | 179 | - | 179 |
| | | | | |
| Total Expenditures | 23,964 | 343,129 | \$ 570,669 | \$ (227,540) |
| Receipts Over (Under) Expenditures | (23,964) | (316,979) | | |
| Unencumbered Cash, Beginning | 743,538 | 719,574 | | |
| Unencumbered Cash, Ending | \$ 719,574 | \$ 402,595 | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|------------------------|---------------|---------------|--------------------------------------|
| | 2017 Actual | Actual | Budget | Variance Over (Under) |
| Receipts: | | | | |
| Grants | \$ 1,478 | \$ - | \$ - | \$ - |
| Miscellaneous revenue | 24,471 | 24,471 | - | 24,471 |
| State aid | 115,670 | 139,438 | 128,981 | 10,457 |
| Federal aid | - | 23,767 | - | 23,767 |
| Transfer from Supplemental General Fund | 70,000 | - | 70,000 | (70,000) |
| Total Receipts | 211,619 | 187,676 | \$ 198,981 | \$ (11,305) |
| Expenditures: | | | | |
| Student support services | 223,997 | 293,153 | \$ 319,481 | \$ (26,328) |
| Instructional support services | 6,104 | - | 7,350 | (7,350) |
| Total Expenditures | 230,101 | 293,153 | \$ 326,831 | \$ (33,678) |
| Receipts Over (Under) Expenditures | (18,482) | (105,477) | | |
| Unencumbered Cash, Beginning | 236,823 | 218,341 | | |
| Unencumbered Cash, Ending | \$ 218,341 | \$ 112,864 | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|---------------|---------------|---------------|-----------------|
| | 2017 | Actual | Budget | Variance |
| | Actual | | | Over |
| | | | | (Under) |
| Receipts: | | | | |
| Federal aid | \$ 1,238,636 | \$ 1,218,116 | \$ 1,150,000 | \$ 68,116 |
| Medicaid aid | 355,819 | 483,326 | 300,000 | 183,326 |
| Transfer from General Fund | 5,359,499 | 4,471,838 | 4,860,302 | (388,464) |
| Transfer from Supplemental General Fund | 2,749,636 | 1,402,397 | 1,840,021 | (437,624) |
| Total Receipts | 9,703,590 | 7,575,722 | \$ 8,150,323 | \$ (574,601) |
| Expenditures: | | | | |
| Instruction | 5,869,479 | 6,721,318 | \$ 7,476,111 | \$ (754,793) |
| Student support services | 1,235,725 | 1,391,162 | 1,574,665 | (183,503) |
| Instructional support services | 48,297 | 59,181 | 93,688 | (34,507) |
| General administration | 346,597 | 419,031 | 483,965 | (64,934) |
| Student transportation services | 674,308 | 771,087 | 792,400 | (21,313) |
| Other support services | 8,716 | 12,896 | - | 12,896 |
| Total Expenditures | 8,183,122 | 9,374,675 | \$ 10,420,829 | \$ (1,046,154) |
| Receipts Over (Under) Expenditures | 1,520,468 | (1,798,953) | | |
| Unencumbered Cash, Beginning | 4,569,002 | 6,089,470 | | |
| Unencumbered Cash, Ending | \$ 6,089,470 | \$ 4,290,517 | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|---|------------------------|---------------------|---------------------|--------------------------------------|
| | 2017 Actual | Actual | Budget | Variance Over (Under) |
| Receipts: | | | | |
| State aid | \$ 1,094 | \$ - | \$ 1,402 | \$ (1,402) |
| Tuition | 775,255 | 903,179 | 600,000 | 303,179 |
| Reimbursed expenses | 275,281 | 233,329 | - | 233,329 |
| Federal aid | - | 101 | - | 101 |
| Transfer from General Fund | 440,764 | - | 440,764 | (440,764) |
| Transfer from Supplemental General Fund | <u>1,664,691</u> | <u>1,454,725</u> | <u>1,664,691</u> | <u>(209,966)</u> |
| Total Receipts | <u>3,157,085</u> | <u>2,591,334</u> | <u>\$ 2,706,857</u> | <u>\$ (115,523)</u> |
| Expenditures: | | | | |
| Instruction | 2,367,904 | 2,566,701 | \$ 3,317,786 | \$ (751,085) |
| Student support services | - | 2,174 | - | 2,174 |
| Instructional support services | 34,257 | 39,787 | 76,383 | (36,596) |
| School administration | 158,051 | 179,240 | 187,959 | (8,719) |
| Operations and maintenance | 102,996 | 100,052 | 202,349 | (102,297) |
| Student transportation services | <u>16,906</u> | <u>18,079</u> | <u>22,508</u> | <u>(4,429)</u> |
| Total Expenditures | <u>2,680,114</u> | <u>2,906,033</u> | <u>\$ 3,806,985</u> | <u>\$ (900,952)</u> |
| Receipts Over (Under) Expenditures | 476,971 | (314,699) | | |
| Prior year cancelled encumbrance | - | 270 | | |
| Unencumbered Cash, Beginning | <u>2,118,063</u> | <u>2,595,034</u> | | |
| Unencumbered Cash, Ending | <u>\$ 2,595,034</u> | <u>\$ 2,280,605</u> | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|------------------------------------|------------------------|---------------|---------------|--------------------------------------|
| | 2017 Actual | Actual | Budget | Variance Over (Under) |
| Receipts: | | | | |
| State aid | \$ - | \$ 3,828,418 | \$ 4,194,254 | \$ (365,836) |
| Transfer from General Fund | 2,496,580 | - | - | - |
| Total Receipts | 2,496,580 | 3,828,418 | \$ 4,194,254 | \$ (365,836) |
| Expenditures: | | | | |
| Employee Benefits - | | | | |
| Instruction | 1,772,572 | 2,718,177 | \$ 3,281,450 | \$ (563,273) |
| Student support services | 199,726 | 306,273 | 232,974 | 73,299 |
| Instruction support staff | 49,932 | 76,568 | 106,039 | (29,471) |
| General administration | 24,966 | 38,284 | 39,780 | (1,496) |
| School administration | 174,760 | 267,990 | 221,571 | 46,419 |
| Operations and maintenance | 174,761 | 267,989 | 199,400 | 68,589 |
| Other support services | 99,863 | 153,137 | 113,040 | 40,097 |
| Total Expenditures | 2,496,580 | 3,828,418 | \$ 4,194,254 | \$ (365,836) |
| Receipts Over (Under) Expenditures | - | - | | |
| Unencumbered Cash, Beginning | - | - | | |
| Unencumbered Cash, Ending | \$ - | \$ - | | |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

CARL PERKINS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal aid | \$ 65,571 | \$ 115,877 |
| Expenditures: | | |
| Instruction | 68,733 | 63,569 |
| Instructional support services | 20,159 | 19,915 |
| General administration | 4,678 | 4,394 |
| Total Expenditures | <u>93,570</u> | <u>87,878</u> |
| Receipts Over (Under) Expenditures | (27,999) | 27,999 |
| Unencumbered Cash, Beginning | <u>-</u> | <u>(27,999)</u> |
| Unencumbered Cash, Ending | <u>\$ (27,999)</u> | <u>\$ -</u> |

**Unified School District Number 308
Hutchinson, Kansas**

SPECIAL PURPOSE FUND

CARL PERKINS RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017 Actual</u> | <u>2018 Actual</u> |
|------------------------------------|-------------------------------|-------------------------------|
| Receipts: | | |
| Federal aid | \$ 1,000 | \$ 750 |
| Expenditures: | | |
| Instructional support services | <u>1,750</u> | <u>-</u> |
| Receipts Over (Under) Expenditures | (750) | 750 |
| Unencumbered Cash, Beginning | <u>-</u> | <u>(750)</u> |
| Unencumbered Cash, Ending | <u>\$ (750)</u> | <u>\$ -</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts: | \$ - | \$ - |
| Expenditures: | | |
| Other support services | - | 546,900 |
| Receipts Over (Under) Expenditures | - | (546,900) |
| Unencumbered Cash, Beginning | 1,845,906 | 1,845,906 |
| Unencumbered Cash, Ending | <u>\$ 1,845,906</u> | <u>\$ 1,299,006</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

DAYSCHOOL DEPRECIATION RESERVES FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Miscellaneous revenue | \$ 4,000 | \$ 6,000 |
| Expenditures: | | |
| Operations and maintenance | <u> -</u> | <u>21,985</u> |
| Receipts Over (Under) Expenditures | 4,000 | (15,985) |
| Unencumbered Cash, Beginning | <u>11,985</u> | <u>15,985</u> |
| Unencumbered Cash, Ending | <u>\$ 15,985</u> | <u>\$ -</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

EARLY CHILDHOOD PASSTHROUGH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal aid | \$ 1,038,346 | \$ 1,028,775 |
| Expenditures: | | |
| Instruction | 261,050 | 268,866 |
| Student support services | 422,236 | 434,132 |
| Instructional support services | 302,408 | 296,478 |
| Operations and maintenance | 41,633 | 37,627 |
| Other support services | 820 | 1,082 |
| Total Expenditures | <u>1,028,147</u> | <u>1,038,185</u> |
| Receipts Over (Under) Expenditures | 10,199 | (9,410) |
| Prior year cancelled encumbrance | - | 350 |
| Unencumbered Cash, Beginning | <u>(61,253)</u> | <u>(51,054)</u> |
| Unencumbered Cash, Ending | <u>\$ (51,054)</u> | <u>\$ (60,114)</u> |

**Unified School District Number 308
Hutchinson, Kansas**

SPECIAL PURPOSE FUND

EARLY EDUCATION CENTER DEPRECIATION RESERVES FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Miscellaneous revenue | \$ 20,000 | \$ 20,000 |
| Expenditures: | | |
| Operations and maintenance | <u>2,707</u> | <u>21,048</u> |
| Receipts Over (Under) Expenditures | 17,293 | (1,048) |
| Unencumbered Cash, Beginning | <u>140,195</u> | <u>157,488</u> |
| Unencumbered Cash, Ending | <u>\$ 157,488</u> | <u>\$ 156,440</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

EMPLOYEE WELLNESS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts: | | |
| Miscellaneous revenue | \$ 450 | \$ 100 |
| Expenditures: | | |
| Community service | <u>450</u> | <u>373</u> |
| Receipts Over (Under) Expenditures | - | (273) |
| Unencumbered Cash, Beginning | <u>359</u> | <u>359</u> |
| Unencumbered Cash, Ending | <u>\$ 359</u> | <u>\$ 86</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

FOUNDATION GRANT PAT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Miscellaneous revenue | \$ 48,983 | \$ 29,585 |
| Expenditures: | | |
| Student support services | 41,679 | 24,765 |
| Operations and maintenance | <u>1,521</u> | <u>957</u> |
| Total Expenditures | <u>43,200</u> | <u>25,722</u> |
| Receipts Over (Under) Expenditures | 5,783 | 3,863 |
| Unencumbered Cash, Beginning | <u>(10,687)</u> | <u>(4,904)</u> |
| Unencumbered Cash, Ending | <u>\$ (4,904)</u> | <u>\$ (1,041)</u> |

**Unified School District Number 308
Hutchinson, Kansas**

SPECIAL PURPOSE FUND

HEAD START CHILDCARE FOOD FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017 Actual</u> | <u>2018 Actual</u> |
|------------------------------------|-------------------------------|-------------------------------|
| Receipts: | | |
| Federal aid | \$ 121,399 | \$ 147,906 |
| Expenditures: | | |
| Other support services | <u>127,610</u> | <u>174,931</u> |
| Receipts Over (Under) Expenditures | (6,211) | (27,025) |
| Unencumbered Cash, Beginning | <u>60,821</u> | <u>54,610</u> |
| Unencumbered Cash, Ending | <u><u>\$ 54,610</u></u> | <u><u>\$ 27,585</u></u> |

**Unified School District Number 308
Hutchinson, Kansas**

SPECIAL PURPOSE FUND

HEAD START PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017 Actual</u> | <u>2018 Actual</u> |
|------------------------------------|-------------------------------|-------------------------------|
| Receipts: | | |
| Federal aid | \$ 1,728,374 | \$ 1,964,684 |
| Expenditures: | | |
| Instruction | 1,178,735 | 1,407,330 |
| Student support services | 160,186 | 114,043 |
| Instructional support services | 244,636 | 194,786 |
| Operations and maintenance | 156,794 | 63,288 |
| Student transportation services | 26,053 | 28,453 |
| Other support services | 1,954 | 49,986 |
| Food service operation | 46,396 | - |
| Total Expenditures | <u>1,814,754</u> | <u>1,857,886</u> |
| Receipts Over (Under) Expenditures | (86,380) | 106,798 |
| Unencumbered Cash, Beginning | <u>(55,491)</u> | <u>(141,871)</u> |
| Unencumbered Cash, Ending | <u>\$ (141,871)</u> | <u>\$ (35,073)</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

HUTCHINSON HIGH SCHOOL DAY CARE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Fees | \$ 92,971 | \$ 163,994 |
| Federal aid | <u>9,968</u> | <u>13,453</u> |
| Total Receipts | <u>102,939</u> | <u>177,447</u> |
| Expenditures: | | |
| Food service operations | 12,374 | 19,220 |
| Community service | <u>144,327</u> | <u>180,723</u> |
| Total Expenditures | <u>156,701</u> | <u>199,943</u> |
| Receipts Over (Under) Expenditures | (53,762) | (22,496) |
| Unencumbered Cash, Beginning | <u>138,338</u> | <u>84,576</u> |
| Unencumbered Cash, Ending | <u>\$ 84,576</u> | <u>\$ 62,080</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

I.B. PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Gifts and grants | \$ 12,006 | \$ 5,000 |
| Donations | <u>4,450</u> | <u>-</u> |
| Total Receipts | <u>16,456</u> | <u>5,000</u> |
| Expenditures: | | |
| Instruction | <u>14,442</u> | <u>7,212</u> |
| Receipts Over (Under) Expenditures | 2,014 | (2,212) |
| Unencumbered Cash, Beginning | <u>1,906</u> | <u>3,920</u> |
| Unencumbered Cash, Ending | <u>\$ 3,920</u> | <u>\$ 1,708</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

PAT-KPP FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts: | | |
| Gifts and grants | \$ 12,364 | \$ 3,336 |
| Expenditures: | | |
| Student support services | <u>15,700</u> | <u>-</u> |
| Receipts Over (Under) Expenditures | (3,336) | 3,336 |
| Unencumbered Cash, Beginning | <u>-</u> | <u>(3,336)</u> |
| Unencumbered Cash, Ending | <u>\$ (3,336)</u> | <u>\$ -</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

PROJECT LEAD THE WAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts: | \$ - | \$ - |
| Expenditures: | | |
| Instruction | 3,700 | 35 |
| Instructional support services | <u>2,400</u> | <u>1,750</u> |
| Total Expenditures | <u>6,100</u> | <u>1,785</u> |
| Receipts Over (Under) Expenditures | (6,100) | (1,785) |
| Unencumbered Cash, Beginning | <u>7,955</u> | <u>1,855</u> |
| Unencumbered Cash, Ending | <u>\$ 1,855</u> | <u>\$ 70</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

READING IS FUNDAMENTAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts: | | |
| Donations | \$ - | \$ - |
| Expenditures: | | |
| Instructional support services | - | - |
| Receipts Over (Under) Expenditures | - | - |
| Unencumbered Cash, Beginning | <u>257</u> | <u>257</u> |
| Unencumbered Cash, Ending | <u>\$ 257</u> | <u>\$ 257</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

REBATE - KIDS FIRST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Interest on idle funds | \$ - | \$ - |
| Expenditures: | | |
| Architect fees | <u>550</u> | <u>1,099</u> |
| Receipts Over (Under) Expenditures | (550) | (1,099) |
| Unencumbered Cash, Beginning | <u>28,707</u> | <u>28,157</u> |
| Unencumbered Cash, Ending | <u>\$ 28,157</u> | <u>\$ 27,058</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

REVOLVING GIFT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Gifts and grants | \$ 19,999 | \$ 18,940 |
| Donations | <u>5,312</u> | <u>9,886</u> |
| Total Receipts | <u>25,311</u> | <u>28,826</u> |
| Expenditures: | | |
| Instruction | 11,809 | 10,877 |
| Instructional support services | 845 | 92 |
| Other support services | 6,076 | 12,612 |
| Community Service | <u>-</u> | <u>1,250</u> |
| Total Expenditures | <u>18,730</u> | <u>24,831</u> |
| Receipts Over (Under) Expenditures | 6,581 | 3,995 |
| Unencumbered Cash, Beginning | <u>136,243</u> | <u>142,824</u> |
| Unencumbered Cash, Ending | <u>\$ 142,824</u> | <u>\$ 146,819</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TASN CO-TEACHING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Reimbursed expenses | \$ 6,000 | \$ 6,000 |
| Expenditures: | | |
| Instructional support services | <u>1,631</u> | <u>4,902</u> |
| Receipts Over (Under) Expenditures | 4,369 | 1,098 |
| Unencumbered Cash, Beginning | <u>-</u> | <u>4,369</u> |
| Unencumbered Cash, Ending | <u>\$ 4,369</u> | <u>\$ 5,467</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TEXTBOOK/STUDENT MATERIAL REVOLVING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Fees | \$ 99,622 | \$ 96,256 |
| Miscellaneous revenue | 400,000 | - |
| Transfer from General Fund | <u>271,000</u> | <u>76,527</u> |
| Total Receipts | <u>770,622</u> | <u>172,783</u> |
| Expenditures: | | |
| Instruction | 344,142 | 993,387 |
| Instructional support services | 1,881 | 5,083 |
| Other support services | <u>-</u> | <u>86,547</u> |
| Total Expenditures | <u>346,023</u> | <u>1,085,017</u> |
| Receipts Over (Under) Expenditures | 424,599 | (912,234) |
| Prior year cancelled encumbrances | 117 | - |
| Unencumbered Cash, Beginning | <u>2,748,143</u> | <u>3,172,859</u> |
| Unencumbered Cash, Ending | <u>\$ 3,172,859</u> | <u>\$ 2,260,625</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal grant | \$ 1,741,371 | \$ 1,518,200 |
| Expenditures: | | |
| Instruction | 1,598,304 | 1,406,127 |
| Student support services | 9,191 | 9,221 |
| Instructional support services | 8,109 | 2,566 |
| Operations and maintenance | 50,212 | 38,393 |
| Student transportation services | <u>-</u> | <u>4,345</u> |
| Total Expenditures | <u>1,665,816</u> | <u>1,460,652</u> |
| Receipts Over (Under) Expenditures | 75,555 | 57,548 |
| Unencumbered Cash, Beginning | <u>(84,065)</u> | <u>(8,510)</u> |
| Unencumbered Cash, Ending | <u>\$ (8,510)</u> | <u>\$ 49,038</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TITLE I SCHOOL IMPROVEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal grant | \$ 9,117 | \$ 20,883 |
| Expenditures: | | |
| Instruction | <u>3,353</u> | <u>26,647</u> |
| Receipts Over (Under) Expenditures | 5,764 | (5,764) |
| Unencumbered Cash, Beginning | <u>-</u> | <u>5,764</u> |
| Unencumbered Cash, Ending | <u>\$ 5,764</u> | <u>\$ -</u> |

**Unified School District Number 308
Hutchinson, Kansas**

SPECIAL PURPOSE FUND

TITLE I SCHOOL IMPROVEMENT LINCOLN/AVE A FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017 Actual</u> | <u>2018 Actual</u> |
|------------------------------------|-------------------------------|-------------------------------|
| Receipts: | | |
| Federal grant | \$ 43,761 | \$ - |
| Expenditures: | | |
| Instruction | 37,918 | - |
| Instructional support services | <u>616</u> | <u>-</u> |
| Total Expenditures | <u>38,534</u> | <u>-</u> |
| Receipts Over (Under) Expenditures | 5,227 | - |
| Unencumbered Cash, Beginning | <u>(5,227)</u> | <u>-</u> |
| Unencumbered Cash, Ending | <u>\$ -</u> | <u>\$ -</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TITLE II-A FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal aid | \$ 245,528 | \$ 253,003 |
| Expenditures: | | |
| Instruction | 107,031 | 88,565 |
| Instructional support services | 174,468 | 104,605 |
| Operations and maintenance | <u>8,062</u> | <u>-</u> |
| Total Expenditures | <u>289,561</u> | <u>193,170</u> |
| Receipts Over (Under) Expenditures | (44,033) | 59,833 |
| Unencumbered Cash, Beginning | <u>(15,800)</u> | <u>(59,833)</u> |
| Unencumbered Cash, Ending | <u>\$ (59,833)</u> | <u>\$ -</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TITLE III FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal grant | \$ 22,590 | \$ 28,779 |
| Expenditures: | | |
| Instruction | 26,608 | 21,457 |
| Instructional support services | 1,061 | 1,800 |
| Operations and maintenance | <u>441</u> | <u>-</u> |
| Total Expenditures | <u>28,110</u> | <u>23,257</u> |
| Receipts Over (Under) Expenditures | (5,520) | 5,522 |
| Unencumbered Cash, Beginning | <u>(2)</u> | <u>(5,522)</u> |
| Unencumbered Cash, Ending | <u>\$ (5,522)</u> | <u>\$ -</u> |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TITLE IV FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal grant | \$ - | \$ 40,623 |
| Expenditures: | | |
| Instruction | - | 29,123 |
| Instructional support services | - | 11,500 |
| Total Expenditures | - | 40,623 |
| Receipts Over (Under) Expenditures | - | - |
| Unencumbered Cash, Beginning | - | - |
| Unencumbered Cash, Ending | \$ - | \$ - |

Unified School District Number 308
Hutchinson, Kansas

SPECIAL PURPOSE FUND

TITLE V FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Actual</u> |
|------------------------------------|--|--|
| Receipts: | | |
| Federal grant | \$ - | \$ 51,556 |
| Expenditures: | | |
| Instruction | - | 13,127 |
| Student support services | - | 36,395 |
| School administration | - | 2,034 |
| Total Expenditures | - | 51,556 |
| Receipts Over (Under) Expenditures | - | - |
| Unencumbered Cash, Beginning | - | - |
| Unencumbered Cash, Ending | \$ - | \$ - |

Unified School District Number 308
Hutchinson, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended June 30, 2018

(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

| | | 2018 | | |
|------------------------------------|------------------|------------------|---------------------|--------------------------------------|
| | 2017 | Actual | Budget | Variance Over (Under) |
| | Actual | | | |
| Receipts: | | | | |
| Taxes and Shared Revenue - | | | | |
| Ad valorem property | \$ 2,948,244 | \$ 2,415,937 | \$ 2,421,386 | \$ (5,449) |
| Delinquent tax | 119,087 | 119,366 | 77,423 | 41,943 |
| Motor vehicle tax | 390,940 | 353,324 | 369,069 | (15,745) |
| Recreational vehicle tax | 3,159 | 2,928 | 2,812 | 116 |
| Commercial vehicle tax | 14,472 | 15,015 | 15,725 | (710) |
| In lieu tax | - | - | 680 | (680) |
| Miscellaneous | - | 16,756 | - | 16,756 |
| State aid | 3,300,019 | 3,238,074 | 3,238,074 | - |
| | <u>6,775,921</u> | <u>6,161,400</u> | <u>\$ 6,125,169</u> | <u>\$ 36,231</u> |
| Total Receipts | | | | |
| Expenditures: | | | | |
| Interest | - | - | \$ 2,397,066 | \$ (2,397,066) |
| Principal | 6,035,108 | 6,227,066 | 3,830,000 | 2,397,066 |
| | <u>6,035,108</u> | <u>6,227,066</u> | <u>\$ 6,227,066</u> | <u>\$ -</u> |
| Total Expenditures | | | | |
| Receipts Over (Under) Expenditures | 740,813 | (65,666) | | |
| Unencumbered Cash, Beginning | 5,551,726 | 6,292,539 | | |
| Unencumbered Cash, Ending | \$ 6,292,539 | \$ 6,226,873 | | |

Unified School District Number 308
Hutchinson, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended June 30, 2018

| | <u>Beginning</u> <u>Cash Balance</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Ending</u> <u>Cash Balance</u> |
|-------------------------|---|-----------------|----------------------|--------------------------------------|
| Student Organizations: | | | | |
| Graber Elementary - | | | | |
| Super Sixth | \$ 2,204 | \$ - | \$ 487 | \$ 1,717 |
| McCandless Elementary - | | | | |
| McMad | 87 | - | - | 87 |
| Sixth Grade | 13 | - | - | 13 |
| Student Council | 23 | - | - | 23 |
| Morgan Elementary - | | | | |
| Beef Council | - | 2,390 | 2,390 | - |
| Student Council | 1,855 | - | 340 | 1,515 |
| HMS 7 - | | | | |
| Agenda Planning | 306 | 22 | - | 328 |
| Band | 110 | 868 | 978 | - |
| Cheerleaders | 11,818 | 7,966 | 12,965 | 6,819 |
| Drill Team | 2,207 | 2,735 | 3,169 | 1,773 |
| Girls Basketball | 309 | - | 309 | - |
| Mullins Art | 510 | - | 510 | - |
| Music Festival | 32 | - | 32 | - |
| Orchestra | 1,077 | 2,185 | 2,380 | 882 |
| Project Reach Books | 1,584 | - | - | 1,584 |
| Physical Education | 21 | - | - | 21 |
| Student Council | 6,633 | 3,624 | 4,542 | 5,715 |
| Track | 42 | - | 42 | - |
| Vocal | 54 | 726 | 762 | 18 |
| Volleyball | 30 | - | 30 | - |
| Wrestling | - | 17 | - | 17 |
| HMS 8 - | | | | |
| Stuco | 242 | 230 | 325 | 147 |
| School Community | 110 | 954 | 954 | 110 |
| High School - | | | | |
| 3D Cement Sculpture | 211 | - | - | 211 |
| Christians on Campus | 293 | - | - | 293 |
| Senior Class | 1,076 | 3,964 | 5,010 | 30 |
| Junior Class | 844 | 415 | - | 1,259 |
| Sophomore Class | 352 | 394 | - | 746 |
| Freshman Class | - | 391 | 58 | 333 |
| Green Machine | 1,118 | - | - | 1,118 |
| GSA | 400 | 1 | 47 | 354 |
| Hispanics In Progress | 805 | - | - | 805 |
| Key Club | 1,370 | 542 | 560 | 1,352 |
| Orchestra | 1,597 | 5,021 | 5,328 | 1,290 |
| Poetry | 140 | - | - | 140 |
| Sign Language | 654 | 924 | 926 | 652 |
| Spanish Club | 99 | - | - | 99 |

**Unified School District Number 308
Hutchinson, Kansas**

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended June 30, 2018

| | <u>Beginning Cash Balance</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Ending Cash Balance</u> |
|----------------------------------|-----------------------------------|---------------------|----------------------|--------------------------------|
| Student Organizations (cont.): | | | | |
| High School (cont.) - | | | | |
| Student Council | \$ 2,031 | \$ 7,076 | \$ 6,898 | \$ 2,209 |
| Tri-M Music Honor Society | 159 | - | - | 159 |
| Ultimate Frisbee Club | 37 | - | - | 37 |
| Vocal | 1,232 | 7,309 | 4,923 | 3,618 |
| CTEA - | | | | |
| Auto Body Club | 5,737 | 3,128 | 1,818 | 7,047 |
| Auto Mechanics Club | 1,214 | 1,485 | 1,810 | 889 |
| Beef Council | - | 372 | 372 | - |
| BPA Football Concessions | 533 | 35,190 | 32,273 | 3,450 |
| Broadcasting Club | 1,557 | 245 | - | 1,802 |
| Business Professionals Club | 1,565 | 5,232 | 3,462 | 3,335 |
| Building Trade VICA Club | 3,723 | - | 251 | 3,472 |
| FCCLA Club | 9,133 | 135 | 321 | 8,947 |
| Health Occupations Students | 865 | 2,407 | 1,406 | 1,866 |
| Machine Shop Club | 1,864 | 171 | 60 | 1,975 |
| Other Skills Club | 18 | 80 | 60 | 38 |
| DECA Enterprises | 158 | 24,753 | 24,161 | 750 |
| Salt Hawk Engineering | 2,232 | - | - | 2,232 |
| Welding Club | 1,445 | 1,010 | 1,408 | 1,047 |
| Total Student Organization Funds | <u>70,836</u> | <u>121,038</u> | <u>120,441</u> | <u>72,324</u> |
| Sales Tax Funds: | | | | |
| Allen Elementary | 2 | 12 | 7 | 7 |
| Faris Elementary | 10 | 40 | 12 | 38 |
| Graber Elementary | 4 | 6 | 9 | 1 |
| Lincoln Elementary | 4 | 9 | 6 | 7 |
| McCandless Elementary | - | 4 | 4 | - |
| Morgan Elementary | (81) | 231 | 150 | - |
| Wiley Elementary | 10 | 13 | 12 | 11 |
| HMS 7 | (26) | 2,292 | 2,256 | 10 |
| HMS 8 | 80 | 3,801 | 3,881 | - |
| High School | 88 | 17,342 | 17,395 | 35 |
| CTEA | 31 | 2,653 | 2,656 | 28 |
| Total Sales Tax Funds | <u>122</u> | <u>26,403</u> | <u>26,388</u> | <u>137</u> |
| Other Agency Funds: | | | | |
| Health Care Reserve Fund | 5,787,884 | 4,488,759 | 4,677,441 | 5,599,202 |
| EEC - CACFP | - | 11,518 | 11,518 | - |
| Total Other Agency Funds | <u>5,787,884</u> | <u>4,500,277</u> | <u>4,688,959</u> | <u>5,599,202</u> |
| Total Agency Funds | <u>\$ 5,858,842</u> | <u>\$ 4,647,718</u> | <u>\$ 4,835,788</u> | <u>\$ 5,671,663</u> |

Unified School District Number 308
Hutchinson, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended June 30, 2018

| | Beginning Unencumbered Cash Balance | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances and Accounts Payable | Ending Cash Balance |
|---------------------------|---|------------|--------------|--|--|------------------------|
| Gate Receipts: | | | | | | |
| Athletics - High School - | | | | | | |
| Athletic Administration | \$ 53,177 | \$ 120,089 | \$ 144,423 | \$ 28,843 | \$ - | \$ 28,843 |
| Football | 16,439 | 53,313 | 56,601 | 13,151 | - | 13,151 |
| Cross County | 5,864 | 727 | 4,551 | 2,040 | - | 2,040 |
| Girls Tennis | 771 | 820 | 1,591 | - | - | - |
| Volleyball | 2,471 | 942 | 3,200 | 213 | - | 213 |
| Girls Golf | 2,769 | 4,731 | 1,660 | 5,840 | - | 5,840 |
| Boys Soccer | 2,683 | 4,539 | 4,298 | 2,924 | - | 2,924 |
| Boys Basketball | 22 | 16,425 | 10,690 | 5,757 | - | 5,757 |
| Girls Basketball | 4,255 | 13,981 | 15,218 | 3,018 | - | 3,018 |
| Wrestling | 6,779 | 8,808 | 9,222 | 6,365 | - | 6,365 |
| Boys Swimming | 319 | 789 | 1,049 | 59 | - | 59 |
| Girls Swimming | 504 | 914 | 885 | 533 | - | 533 |
| Track | 1,833 | 3,479 | 5,241 | 71 | - | 71 |
| Boys Tennis | 1,386 | 541 | 1,397 | 530 | - | 530 |
| Boys Golf | 3,367 | 4,475 | 1,563 | 6,279 | - | 6,279 |
| Baseball | 10,350 | 14,344 | 15,813 | 8,881 | - | 8,881 |
| Softball | 892 | 11,487 | 11,928 | 451 | - | 451 |
| Girls Soccer | 1,511 | 3,074 | 3,121 | 1,464 | - | 1,464 |
| Bowling | 896 | 3,107 | 2,216 | 1,787 | - | 1,787 |
| Drill Team | 1,200 | 8,210 | 8,602 | 808 | - | 808 |
| Cheerleaders | 6,255 | 25,184 | 27,085 | 4,354 | - | 4,354 |
| H-Hawk Trademark | 4,361 | 822 | 2,469 | 2,714 | - | 2,714 |
| Certificate of Deposit | 36,995 | 176 | - | 37,171 | - | 37,171 |
| Athletics - HMS 8 - | | | | | | |
| Athletic Administration | 1,786 | 40,440 | 38,062 | 4,164 | - | 4,164 |
| Total Gate Receipts | 166,885 | 341,417 | 370,885 | 137,417 | - | 137,417 |
| School Projects: | | | | | | |
| Allen Elementary - | | | | | | |
| Student Enrichment | 517 | 1,379 | 1,459 | 437 | - | 437 |
| Pictures | 5,840 | 1,518 | 300 | 7,058 | - | 7,058 |
| Library | - | 135 | 135 | - | - | - |
| Avenue A Elementary - | | | | | | |
| Student Enrichment | 2,176 | 643 | 2,687 | 132 | - | 132 |
| Faris Elementary - | | | | | | |
| Student Enrichment | 12,073 | 4,285 | 8,319 | 8,039 | - | 8,039 |
| Library | 87 | - | - | 87 | - | 87 |
| Graber Elementary - | | | | | | |
| Graber Community | 56 | - | 25 | 31 | - | 31 |
| Library | 1,549 | 971 | 860 | 1,660 | - | 1,660 |
| Outdoor Classroom | 25 | - | - | 25 | - | 25 |
| Student Enrichment | 1,133 | 2 | 239 | 896 | - | 896 |
| Lincoln Elementary - | | | | | | |
| Student Enrichment | 8,699 | 1,873 | 2,823 | 7,749 | - | 7,749 |
| Library Book Fair | - | 1,238 | 1,238 | - | - | - |
| Robert Glover | 611 | - | 52 | 559 | - | 559 |
| McCandless Elementary - | | | | | | |
| Picture Money | 4,498 | 557 | - | 5,055 | - | 5,055 |
| Paper/Pencil | 872 | - | - | 872 | - | 872 |
| Student Enrichment | 6,255 | 978 | 2,273 | 4,960 | - | 4,960 |

Unified School District Number 308
Hutchinson, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended June 30, 2018

| | Beginning Unencumbered Cash Balance | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances and Accounts Payable | Ending Cash Balance |
|--------------------------|---|----------|--------------|--|--|------------------------|
| School Projects (cont.): | | | | | | |
| Morgan Elementary - | | | | | | |
| Student Enrichment | \$ 25,814 | \$ 3,059 | \$ 2,318 | \$ 26,555 | \$ - | \$ 26,555 |
| Morgan Accord | 1,895 | - | - | 1,895 | - | 1,895 |
| Pencil/Paper | 3,159 | 444 | 588 | 3,015 | - | 3,015 |
| Wiley Elementary - | | | | | | |
| Library | - | 145 | 145 | - | - | - |
| Paper/Pencils | 135 | - | - | 135 | - | 135 |
| Student Enrichment | 8,845 | 4,482 | 5,323 | 8,004 | - | 8,004 |
| HMS 7 - | | | | | | |
| Athletic Fund Raisers | 751 | 1,564 | 743 | 1,572 | - | 1,572 |
| Library | 235 | 694 | 839 | 90 | - | 90 |
| Student Enrichment | 15,382 | 14,693 | 17,664 | 12,411 | - | 12,411 |
| Vending Machines | 2,503 | 649 | 3,152 | - | - | - |
| Yearbook | - | 2,222 | 2,222 | - | - | - |
| Spiritwear | 1,270 | 1,470 | 2,730 | 10 | - | 10 |
| HMS 8 - | | | | | | |
| Advisor Base | 15 | - | - | 15 | - | 15 |
| Aerobics | 72 | - | - | 72 | - | 72 |
| Basketball | 800 | 200 | 200 | 800 | - | 800 |
| Band | 17 | - | - | 17 | - | 17 |
| Boys Soccer | - | 1,781 | 1,781 | - | - | - |
| Pencil Paper Store | 218 | - | - | 218 | - | 218 |
| Vocal | 10 | - | - | 10 | - | 10 |
| Musical | 32 | - | - | 32 | - | 32 |
| Drama Theater | 1 | - | - | 1 | - | 1 |
| Student Enrichment | 3,482 | 8,560 | 9,081 | 2,961 | - | 2,961 |
| Crime Stoppers | 100 | - | - | 100 | - | 100 |
| Library Fund | 421 | 488 | 644 | 265 | - | 265 |
| Weights | 2,742 | - | - | 2,742 | - | 2,742 |
| Orchestra | 4 | - | - | 4 | - | 4 |
| Scholarbowl | 29 | - | - | 29 | - | 29 |
| Concessions | 102 | 250 | - | 352 | - | 352 |
| Sport Events | - | 478 | 478 | - | - | - |
| Sro | 106 | - | - | 106 | - | 106 |
| Success Class | 44 | - | - | 44 | - | 44 |
| Yearbook | - | 4,330 | 4,330 | - | - | - |
| High School - | | | | | | |
| Yearbook | 15,183 | 20,075 | 20,486 | 14,772 | - | 14,772 |
| Bird Feeder | 19,747 | 9,532 | 10,925 | 18,354 | - | 18,354 |
| Pep Club | 3,350 | 1,558 | 3,428 | 1,480 | - | 1,480 |
| Crime Stoppers | 479 | - | - | 479 | - | 479 |
| Debate Nationals | 4,858 | 11,103 | 4,784 | 11,177 | - | 11,177 |
| Drama | 205 | 18,217 | 16,779 | 1,643 | - | 1,643 |
| E.M.H. Activity | 79 | - | - | 79 | - | 79 |
| Earth Science Club | 110 | - | - | 110 | - | 110 |
| H-Club | 6 | - | - | 6 | - | 6 |
| Student Enrichment | 15,452 | 1,760 | 9,265 | 7,947 | - | 7,947 |
| Healthy Choices | 588 | - | - | 588 | - | 588 |
| Hutch Hawks | 3,059 | - | - | 3,059 | - | 3,059 |
| IB Community | | | | | | |
| Service Fundraiser | 1,743 | 2,981 | 3,464 | 1,260 | - | 1,260 |
| I.D. Replacement | 3,021 | 181 | - | 3,202 | - | 3,202 |
| Gifted Club | 39 | - | - | 39 | - | 39 |

Unified School District Number 308
Hutchinson, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended June 30, 2018

| | Beginning Unencumbered Cash Balance | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances and Accounts Payable | Ending Cash Balance |
|-------------------------------|---|------------|--------------|--|--|------------------------|
| School Projects (cont.): | | | | | | |
| High School (cont.): | | | | | | |
| Kopke Fund | \$ 1,348 | \$ - | \$ - | \$ 1,348 | \$ - | \$ 1,348 |
| Memorials | 75 | - | - | 75 | - | 75 |
| Milk Sales | 1,493 | - | 1,493 | - | - | - |
| Band | 4,162 | 17,130 | 13,881 | 7,411 | - | 7,411 |
| Musical | 489 | 3,450 | 3,654 | 285 | - | 285 |
| National Art Honor Society | 274 | - | - | 274 | - | 274 |
| National Honor Society | 1,752 | 853 | 813 | 1,792 | - | 1,792 |
| News Hawk Paper | 4,987 | 578 | 1,018 | 4,547 | - | 4,547 |
| Nurses | 21 | - | - | 21 | - | 21 |
| Other Health Impaired | 350 | 2,074 | 912 | 1,512 | - | 1,512 |
| Past class dues | 4,534 | 2 | 4,278 | 258 | - | 258 |
| Pop | 4,192 | 55 | 4,247 | - | - | - |
| Concessions | 2,857 | - | 2,850 | 7 | - | 7 |
| Scholars Bowl | 626 | 655 | 385 | 896 | - | 896 |
| School Resource Officer | 16 | - | - | 16 | - | 16 |
| Senior Leaders | 1,925 | 2,719 | 2,503 | 2,141 | - | 2,141 |
| Special Needs | 67 | - | - | 67 | - | 67 |
| Sports Events | 500 | - | - | 500 | - | 500 |
| Student Interact | 449 | 289 | 300 | 438 | - | 438 |
| Test Fees | 1,193 | 896 | 896 | 1,193 | - | 1,193 |
| CTEA - | | | | | | |
| Student Enrichment | 12,829 | 9,122 | 10,524 | 11,427 | - | 11,427 |
| Total School Projects | 224,633 | 162,318 | 189,533 | 197,418 | - | 197,418 |
| Total District Activity Funds | \$ 391,518 | \$ 503,735 | \$ 560,418 | \$ 334,835 | \$ - | \$ 334,835 |

SINGLE AUDIT SECTION



SWINDOLL
JANZEN
HAWK &
LOYD, LLC

Certified Public Accountants

80
YEARS

More Than Just Numbers Since 1936

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Education
Unified School District Number 308
Hutchinson, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Unified School District Number 308, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 11, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

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determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Swindoll, Janzen, Hawk & Loyd, LLC
Swindoll Janzen Hawk & Loyd, LLC
Hutchinson, Kansas

October 11, 2018



SWINDOLL
JANZEN
HAWK &
LOYD, LLC

Certified Public Accountants

80
YEARS

More Than Just Numbers Since 1936

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Education
Unified School District Number 308
Hutchinson, Kansas

Report on Compliance for Each Major Federal Program

We have audited the Unified School District Number 308's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2018. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

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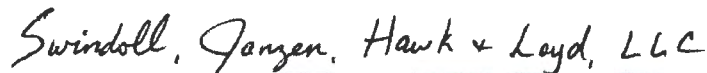
Report on Internal Control Over Compliance

Management of Unified School District Number 308, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Swindoll Janzen Hawk & Loyd, LLC
Hutchinson, Kansas

October 11, 2018

**Unified School District Number 308
Hutchinson, Kansas**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2018

| Federal Grantor/ Pass Through Grantor/ Program Title | Federal CFDA Number | Grant Number | Disbursements/ Expenditures |
|--|------------------------------------|-------------------------|--|
| <u>U.S. Department of Education</u> | | | |
| Passed Through State Department of Education | | | |
| Special Education Cluster (IDEA) | | | |
| Special Education - IDEA Part B - Discretionary 2017 | 84.027 | DO308 | \$ 6,432 |
| Special Education - IDEA Part B - Discretionary 2018 | 84.027 | DO308 | 42,846 |
| Special Education - VIB - Part B - 2018 | 84.027 | DO308 | 1,074,943 |
| Special Education - IDEA Preschool - 2018 | 84.173 | DO308 | 67,859 |
| Total Special Education Cluster (IDEA) | | | <u>1,192,080</u> |
| Title I - 2017 | 84.010 | DO308 | 224,554 |
| Title I - 2018 | 84.010 | DO308 | 1,163,593 |
| Title I - Delinquent - 2017 | 84.010 | DO308 | 6,670 |
| Title I - Delinquent - 2018 | 84.010 | DO308 | 63,798 |
| Title I School Improvement Fund FY17 | 84.010 | DO308 | 26,647 |
| Title III - FY17 | 84.365 | DO308 | 17,565 |
| Title III - FY18 | 84.365 | DO308 | 23,256 |
| Title IIA - FY18 | 84.367 | DO308 | 193,170 |
| Title IV-A - FY18 | 84.424 | DO308 | 40,623 |
| Title V | 84.358 | DO308 | 51,556 |
| Education for Homeless Children and Youth | 84.196 | DO308 | 2,100 |
| Career and Technical Education - Carl Perkins Vocational Education | 84.048 | DO308 | <u>87,878</u> |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | <u>3,093,490</u> |
| <u>U.S. Department of Homeland Security</u> | | | |
| Passed Through State Department of Education | | | |
| Special Education Aid | 97.042 | DO308 | <u>26,036</u> |
| TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY | | | <u>26,036</u> |
| <u>U.S. Department of Health and Human Services</u> | | | |
| Head Start FY18 | 93.600 | 07CH7076-004-01 | 2,896,071 |
| Passed Through State Department of Education | | | |
| Parents as Teachers | 93.558 | DO308 | <u>23,767</u> |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | <u>2,919,838</u> |
| <u>U.S. Department of Agriculture</u> | | | |
| Passed Through State Department of Education | | | |
| Child Nutrition Cluster | | | |
| School Breakfast Program | 10.553 | DO308 | 411,429 |
| National School Lunch Program | 10.555 | DO308 | 1,407,033 |
| Summer Food Service Program for Children | 10.559 | DO308 | <u>100,476</u> |
| Total Child Nutrition Cluster | | | <u>1,918,938</u> |

| | | | |
|-----------------------------------|--------|-------|---------------|
| Child and Adult Care Food Program | 10.558 | DO308 | 172,877 |
| Team Nutrition Grants | 10.574 | DO308 | 1,500 |
| Fresh Fruit and Vegetable | 10.582 | DO308 | <u>73,964</u> |

| | | | |
|--------------------------------------|--|--|------------------|
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | <u>2,167,279</u> |
|--------------------------------------|--|--|------------------|

| | | | |
|--|--|--|---------------------|
| TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 8,206,643</u> |
|--|--|--|---------------------|

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Unified School District Number 308, Hutchinson Kansas (the District), under programs of the federal government for the year ended June 30, 2018. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using a regulatory basis of accounting prescribed by the Kansas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

Note 2 - Summary of Significant Account Policies

(1) Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) The District has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 - Funds Expended

Funds where Federal expenditures were receipted and expended:

| | |
|--|---------------------|
| Food Service Fund | \$ 1,918,938 |
| Head Start Childcare Food Fund | 147,906 |
| Parent Education Fund | 23,767 |
| Carl Perkins Fund | 87,128 |
| Carl Perkins Reserve Fund | 750 |
| Head Start Program Fund | 1,857,886 |
| Early Childhood Passthrough Fund | 1,038,185 |
| Hutchinson High School Day Care Fund | 13,453 |
| Title I Fund | 1,460,715 |
| Title I School Improvement Fund | 26,647 |
| Title IIA Fund | 193,170 |
| Title III Fund | 40,821 |
| Title IV Fund | 40,623 |
| Title V Fund | 51,556 |
| Revolving Gift Fund (negative expense) | 75,464 |
| Early Education Center - CACFP Fund | 11,518 |
| Special Education Fund | <u>1,218,116</u> |
| Total | <u>\$ 8,206,643</u> |

**Unified School District Number 308
Hutchinson, Kansas**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2018

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an adverse opinion on whether the financial statement of the Unified School District Number 308, Hutchinson, Kansas was prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statement are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of the Unified School District Number 308, Hutchinson, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for Unified School District Number 308, Hutchinson, Kansas expressed an unmodified opinion on all major programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs include:

| | <u>CFDA No.</u> |
|---|-----------------|
| Child Nutrition Cluster: | |
| School Breakfast Program | 10.553 |
| National School Lunch Program | 10.555 |
| Summer Food Service Program for Children | 10.559 |
| U.S. Department of Health and Human Services: | |
| Head Start | 93.600 |

8. The threshold for distinguishing Types A and B program was \$750,000.
9. Unified School District Number 308, Hutchinson, Kansas was determined to be a low-risk auditee.

B. FINDINGS--FINANCIAL STATEMENT AUDIT

There were no reportable findings.

C. FINDINGS AND QUESTIONED COSTS--MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. DEPARTMENT OF AGRICULTURE

Child Nutrition Cluster CFDA numbers 10.553, 10.555, and 10.559

There were no reportable findings.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Head Start CFDA number 93.600

There were no reportable findings.

Unified School District Number 308
Hutchinson, Kansas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2018

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. DEPARTMENT OF EDUCATION

Title I – Grants for Local Education Agencies CFDA number 84.010

There were no reportable findings.

Special Education Cluster (IDEA) CFDA numbers 84.027 and 84.173

There were no reportable findings.